AMENDMENT
OFFERED BY MR. KING OF IOWA

At the end of subtitle A of title II, add the following:

SEC. ___. ELECTION TO DEDUCT PREMIUMS FOR HEALTH INSURANCE IN LIEU OF PREMIUM TAX CREDIT.

(a) In general.—Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by redesignating section 224 as section 225 and by inserting after section 223 the following new section:

“SEC. 224. ELECTION TO DEDUCT PREMIUMS FOR HEALTH INSURANCE IN LIEU OF PREMIUM TAX CREDIT.

“(a) In general.—In the case of an individual, there shall be allowed as a deduction to the taxpayer for the taxable year amounts paid by the taxpayer for insurance which constitutes medical care (as defined in section 213(d)) for the taxpayer and the taxpayer’s spouse and dependents if the taxpayer elects the application of this section for such taxable year. No amount shall be taken into account under the preceding sentence if a deduction or credit is allowed for such amount under this chapter...
or to any other taxpayer (determined after application of subsection (b)).

“(b) COORDINATION WITH PREMIUM TAX CREDIT.—No credit shall be allowed to any taxpayer under section 36B or 36C for any taxable year if such taxpayer elects the application of this section for such taxable year.”.

(b) DEDUCTION ALLOWED WHETHER OR NOT INDIVIDUAL ITEMIZES OTHER DEDUCTIONS.—Subsection (a) of section 62 of such Code is amended by inserting before the last sentence at the end the following new paragraph:

“(22) DEDUCTION FOR PREMIUMS FOR HEALTH INSURANCE.—The deduction allowed by section 224.”.

(c) CLERICAL AMENDMENT.—The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking the item relating to section 224 and adding at the end the following new items:

“Sec. 224. Deduction for premiums for health insurance.
“Sec. 225. Cross reference.”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2016.